DEPARTMENT OF FOOD AND AGRICULTURE

A. G. KAWAMURA, Secretary

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June 20, 2005

TO ALL INTERESTED PARTIES:

On May 3 and 6, 2005, the Department held two public hearings to consider amendments to the Northern and Southern California Stabilization and Marketing Plans for Market Milk. The amendments under consideration regarded changes to the Class 1 pricing formula.

Having carefully weighed the contents of the hearing records, the Department has decided to:

- Leave unchanged the current +0.464 Commodity Reference Price adjuster of the Class 1 formula.
- Leave unchanged the current \$0.27 per hundredweight Class 1 price differential between the Northern and Southern Marketing areas.
- Leave unchanged the structure and operation of the current Class 1 formula.

Copies of the Hearing Determinations and a more detailed explanation of the Department's decision may be obtained from the Dairy Marketing Branch website at www.cdfa.ca.gov/dairy. From this page, click on [Announcements, Hearings and Statutes] and then on the [Dairy Hearings Matrix] link.

Should you have any questions or desire further information please contact me at (916) 445-5055.

Media contacts and publication staff are asked to contact the Department's Public Affairs Office by e-mail at officeofpublicaffairs@cdfa.ca.gov or by phone at (916) 654-0462.

Sincerely,

Original Signed by Kelly Krug

Kelly Krug, Director Marketing Services Branch